

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



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TO: Maryland Lottery and Gaming Control Commission
Gordon Medenica, Director

FROM: Leo Mamorsky, Managing Director, Chief Marketing Officer

DIVISIONS: Product Development and Creative Services

DATE: January 16, 2019

SUBJECT: Report for the January 2019 Commission Meeting

Following is the status update of ongoing and special projects in Product Development.

1. Product Development

a) Instant Ticket Products and Promotions

i. Key accomplishments last period:

1. December Instant Ticket Launch (12/26/18):
 - a. \$1 – *Quick \$25s*
 - b. \$5 – *\$50,000 Diamonds*
 - c. \$5 – *Gold Bar Bingo*
 - d. \$10 – *Power 8s*
2. Game Closing Activity:

Game	Price	Game Name	Total Sales	Prize Expense	Gross Margin	Final Claim Date
283	\$5	\$500 Frenzy	\$18,009,980	\$12,972,027	\$5,037,953	11/12/2018
314	\$1	Super 7s Jackpot	\$4,796,912	\$2,860,582	\$1,936,330	11/12/2018
316	\$10	Maximum Money	\$18,349,570	\$13,745,191	\$4,604,379	11/12/2018
317	\$3	Ca\$hingo	\$4,716,210	\$3,175,376	\$1,540,834	11/12/2018
327	\$5	Family Feud	\$19,479,170	\$14,030,081	\$5,449,089	11/12/2018
345	\$2	Gifts Galore	\$4,339,510	\$2,755,883	\$1,583,627	11/12/2018
361	\$1	Super 7s Jackpot (reprint)	\$2,371,149	\$1,406,774	\$964,375	11/12/2018

3. *Cash and Dash Holiday* second-chance contest: Tickets entered for drawings were cumulative, for the duration of the promotion: The tenth drawing was held 1/2/19; 1,406,441 tickets were entered. The eleventh drawing was held 1/8/19; 1,506,847 tickets were entered. The twelfth and final drawing was held 1/15/19; as of 1/13/19, 1,579,262 entries were received.
4. *Willy Wonka Golden Ticket™ BILLION DOLLAR CHALLENGE™* second-chance contest: The seventh and final drawing was held 1/8/19; 356,177 entries were received.
5. *Ravens* second-chance contest: The sixth drawing was held 1/15/19; as of 1/13/19, 758,665 entries were received.

ii. Upcoming tasks for this period:

1. January Instant Ticket Launch (1/21/19):
 - a. \$1 – *\$3,000,000 Cash Payout!*
 - b. \$2 – *\$4,000,000 Cash Payout!*

- c. \$5 – \$15,000,000 Cash Payout!
- d. \$10 – \$20,000,000 Cash Payout!
2. *Ravens* second-chance contest: The final drawing for the *Seats for Life* grand prize will be determined after all finalists are drawn, and the award event is coordinated with Ravens Stadium officials.
3. *Cash Payout* second-chance contest: Beginning with the launch of these games, players will have a second-chance to win cash with non-winning Cash Payout Family of Games tickets: \$1 ticket = 1 entry; \$2 ticket = 2 entries; \$5 ticket = 5 entries; \$10 ticket = 10 entries. Four drawings (2/19, 3/12, 4/2 and 4/30/19) each offer 10 chances to win a prize of \$2,500. Entries are cumulative; players may only win once per drawing.

b) Draw and Monitor Game Products and Promotions

i. Key accomplishments:

1. *Keno Sprinkler Promotion*: The 5 week Keno Sprinkler promotion ended 12/31/18. During the promotional period, Doubler and Tripler messages appeared randomly on the top of Keno tickets – prizes won on those tickets were multiplied. While game sales have lagged all year, when compared to the 5 weeks prior, the promotion garnered over \$4.5 million in additional sales (19% increase).
2. *Pick 3 Pick 4 Let It Snow Promotion*: The 5 week Let It Snow Promotion, which served as a “Thank You” promotion to core daily number game players, ended 12/31/18. During the promotional period, Instant Win Vouchers appeared randomly with Pick 3 and Pick 4 purchases, in \$2 or \$5 denominations. When compared to the 5 weeks prior, both games saw sales increases (Pick 3 = 13%, Pick 4 = 9%).

2. Creative Services

a) Traditional Advertising

i. Key accomplishments:

1. *Cash Payout Family of Games*: Finalized the media plan for the *Cash Payout* family of games. Media will begin on 1/28 and run through 3/17; TV, Radio, Out-of-Home, Digital, and Social are all included. Currently finalizing all creative materials. TV shoot held on 1/15.
2. *Rich and Richer*: Approved \$250,000 *Rich* and \$2,000,000 *Richer* point-of-sale.
3. *Home Run Riches and Winning Streak*: Approved point-of-sale that promotes these two \$5 tickets.
4. *Home Run Riches*: Held planning meeting with agencies to discuss the launch of *Home Run Riches*.
5. *Ravens*: Season-long sponsorship extended into the post-season during the Wild Card weekend; the Lottery was on-site for the 1/6 game and received in-stadium, radio and TV inventory as well.
6. *Orioles and MASN* 2019 Sponsorships: Reached agreements with both the *Orioles* and *MASN* for 2019 season sponsorships.

ii. Upcoming tasks:

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1. *Cash Payout Family of Games*: Finalize the radio and TV buy details scheduled to begin on 1/28. Complete production of all creative elements – TV, Radio, Out-of-Home, Digital and Social.
2. *Rich and Richer*: Begin planning the campaign that will support the launch of *Rich and Richer*.
3. *Home Run Riches*: Finalize point-of-sale that will promote *Home Run Riches*. Work with agencies on the development of a media plan and creative elements to support the 2019 ticket and second chance contest.
4. Minor League Baseball Sponsorships: Begin negotiating 2019 sponsorships with the area Minor League teams.
5. *Orioles and MASN* 2019 Sponsorships: Begin working with the *Orioles and MASN* on the development of its sponsorship assets.

b) My Lottery Rewards

i. Key accomplishments:

1. More than 66,000 unique players engaged with the new *My Lottery Rewards* program in December, representing an 8% increase in engagement over 2017.
2. *Holiday Cash* was the scratch-off most entered by *MLR* members in December with 219,252 ticket entries.
3. Implemented and/or maintained three second chance promotions and seven points-for-drawings promotions during the month of December.

ii. Upcoming tasks:

1. Work with SGI to develop achievements for Q3 and Q4 of calendar year.
2. Track *MLR* budgets and measure progress against projections. Make adjustments in achievement levels as necessary.

c) Web, Digital and Social

i. Key accomplishments:

1. Launched the redesigned *mdlottery* and *mdgaming* websites.
2. Promoted *Holiday* scratch-offs and the Warehouse Dash second chance contest, *Ravens Multiplier* scratch-offs, the *Keno Sprinkler* promotion, the *Pick 3 & Pick 4 Let It Snow* promotion and various winners' stories via social media and web assets.
3. Promoted responsible gaming during the holiday season.
4. Launched the *Winter* scratch-offs campaign on social and digital platforms.

ii. Upcoming tasks:

1. Execute social and digital plans for the *Cash Payout* family of scratch-offs.
2. Create social and digital plans for the *Rich and Richer* scratch-offs, and the *Home Run Riches* scratch-off and *Contestant of the Game* second chance contest.

d) Research

1. Ipsos completed fielding for Wave 7 of the Lottery's Attitude and Usage Tracking study. Data analysis is ongoing, with report due in early February.
2. Ipsos also began new data collection method for 2019 Attitude and Usage Tracking study. Surveying will be continuous to better monitor changes in consumer perceptions.